(c) A cancellation of coverage must be made by the enrolled individual and cannot be made by a representative acting on the individual's behalf.

§890.1207 Termination of coverage.

- (a) Coverage of an individual under §890.1203(b) terminates 60 months or 12 months after hostage status ended unless the individual cancels the coverage earlier.
- (b) Enrollees and family members are eligible for temporary extension of coverage for conversion as set forth in subpart D of this part unless the covering enrollment is terminated by cancellation.

[55 FR 50537, Dec. 7, 1990, as amended at 57 FR 43132, Sept. 18, 1992]

§890.1208 Premiums.

- (a) Government and employee contributions (premiums) required under §§ 890.501 and 890.502 of this part are paid from the appropriation provided under section 599C(e) of Public Law 101–513.
- (b) If the individual is not covered under this subpart for the full pay period, premiums are paid only for the days he or she is actually covered. The daily premium rate is an amount equal to the monthly premium rate multiplied by 12 and divided by 365.
- (c) The payments required by this section may be accepted by OPM from the State Department appropriation in advance if necessary to fund the 12-month period of coverage beginning on the earlier of:
- (1) The day after sanctions or hostilities end; or
- (2) The day after the individual's period of hostage status ends.
- (d) OPM will place any funds received under paragraph (c) of this section in an account established for this purpose. OPM will make the disbursements specified under 48 CFR subpart 1632.170 from this account when the appropriate pay period occurs.

[55 FR 50537, Dec. 7, 1990, as amended at 57 FR 14325, Apr. 20, 1992]

§890.1209 Responsibilities of the U.S. Department of State.

- (a) The U.S. Department of State functions as the "employing office" for individuals covered under this subpart.
- (b) The U.S. Department of State must determine the eligibility of individuals who qualify under Public Law 101–513 for coverage under this part. This determination includes the determination as to whether the individual is barred from coverage under chapter 89 of title 5 U.S. Code by reason of other health insurance coverage as provided in section 599C of Public Law 101–513.
- (c) The U.S. Department of State must determine whether eligible individuals are married or single for the purpose of coverage under a self only or a self and family enrollment as set forth in §890.1203(b). If the marital status of the individual cannot be determined, the U.S. Department of State must enroll the individual for self and family coverage.

\$890.1210 Reconsideration and appeal rights.

- (a) Under procedures set forth by the U.S. Department of State, an individual may request the U.S. Department of State to reconsider an initial decision it has made denying coverage or a change in the type of enrollment under this subpart.
- (b) Neither the initial decision nor the reconsideration decision of the U.S. Department of State is subject to reconsideration by OPM.

Subpart M—Department of Defense Federal Employees Health Benefits Program Demonstration Project

Source: 65 FR 35260, June 2, 2000, unless otherwise noted.

§890.1301 Purpose.

The purpose of this subpart is to implement section 721 of the National Defense Authorization Act for 1999, Public Law 105–261. This section amended chapter 55 of title 10, United States Code, and chapter 89 of title 5, United

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States Code, to establish a demonstration project under which certain Medicare and other eligible Department of Defense (DoD) beneficiaries can enroll in health benefit plans offered under the Federal Employees Health Benefits (FEHB) Program in certain geographic areas. The legislation was signed into law on October 17, 1998. The demonstration project will run for a period of three years. The legislation requires the Office of Personnel Management (OPM) and DoD to jointly produce and submit two reports to Congress designed to assess the viability of expanding access to the FEHB Program to certain Medicare and other eligible DoD beneficiaries permanently. OPM is authorizing certain differences from regular FEHB Program practices in order to ensure the successful implementation of the demonstration project. This regulation authorizes those differences.

§ 890.1302 Duration.

The demonstration project will run from January 1, 2000, through December 31, 2002.

§ 890.1303 Eligibility.

- (a) To enroll in the demonstration project, an individual must live within one of the demonstration areas and meet the definition of an eligible beneficiary in 10 U.S.C. 1108(b). An eligible beneficiary under this subpart is—
- (1) A member or former member of the uniformed services described in section 1074(b) of title 10, United States Code, who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.);
- (2) An individual who is an unremarried former spouse of a member or former member described in section 1072(2)(F) or section 1072(2)(G) of title 10, United States Code;
 - (3) An individual who is—
- (i) A dependent of a deceased member or former member described in section 1076(b) or 1076(a)(2)(B) of title 10, United States Code, or of a member who died while on active duty for a period of more than 30 days; and
- (ii) A "member of family" as defined in section 8901(5) of title 5, United States Code: or

- (4) An individual who is-
- (i) A dependent of a living member or former member described in section 1076(b)(1) of title 10, United States Code, who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act, regardless of the member's or former member's eligibility for such hospital insurance benefits; and
- (ii) A "member of family" as defined in section 8901(5) of title 5, United States Code.
- (b) An eligible beneficiary may enroll in an FEHB plan under chapter 89 of title 5, United States Code, for selfonly coverage or for self and family coverage. A self and family enrollment will include coverage of a dependent of the military member or former member who meets the definition of a "member of family" in section 8901(5) of title 5. United States Code. A self and family enrollment will not cover a person related to the eligible beneficiary that does not qualify as a "member of family" (as defined in section 8901(5) of title 5, United States Code) of the military member or former member.
- (c) A person eligible for coverage under this subpart shall not be required to satisfy any eligibility criteria specified in chapter 89 of title 5, United States Code, or in other subparts of this part (except as provided in paragraphs (a)(3), (a)(4), and (b) of this section) as a condition for enrollment in health benefit plans offered through the FEHB Program under the demonstration project.
- (d) When determining whether an individual is a "member of family" under section 8901(5) of title 5, United States Code, for purposes of paragraph (a)(3) and (a)(4) of this section, a DoD member or former member described in section 1076(b) or 1076(a)(2)(B) of title 10, United States Code, shall be deemed to be an employee under chapter 89 of title 5, United States Code. The sole purpose for deeming these members or former members of the uniformed services employees under chapter 89 of title 5, United States Code, is to determine which of their dependents can enroll as eligible beneficiaries in the demonstration project.